Marketing Healthcare Centers & Hospitals
Session 5
Marketing Research

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The Marketing Research Process

Marketing research:

Is a multistep process that involves the systematic gathering of consumer information or data that will help an organization identify specific issues of concern to consumers.

Organizations use these data to design marketing strategies that will address consumer needs.

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The Marketing Research Process

Conducting marketing research involves:

five stage process

Following this process will ensure that the data collected will help in managerial decision making.

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The Marketing Research Process

The **five steps** to marketing research include:

(1) **Problem recognition**,
(2) **Identification of research objectives,**
(3**) Research design,**
(4) **Data collection**,
(5) **Analysis and evaluation of results.**

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1.Problem Recognition

The first stage of the marketing research process, problem recognition, involves the definition of the problem, example:

- Poor customer service NOT decreased sales
- Media campaigns quality NOT low awareness
- Non competitive packages NOT high turnover

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Problem Recognition

A clearly specified problem definition leads to better articulation of the research objectives.

In order to collect the appropriate information to answer an organizations question, a clear definition of what should be researched is important

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Problem Recognition

Because the problem recognition stage is critical to the research process, all important members of the organization should be included in this phase of the research.

Involvement of both management and clinical personnel is essential to obtain an accurate assessment of the problem definition.

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2.Identification of Research Objectives

Determining the research objectives is the second stage of the market research process.

Research objectives can take more than one form:

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Identification of Research Objectives

1- One common research objective is exploratory (unaware of problem), when an organization needs to determine the cause of the problem (you do not know why the profit decline?) e.g. quality of services, price, new competitors,….

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Identification of Research Objectives

2- A second common research objective is descriptive.

(aware of problem): What kind of people are buying our product?

Who buys our competitors?

These marketing research efforts attempt to identify new issues or markets.

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Identification of Research Objectives

3- A third common objective of marketing research is to test hypotheses.

Example :

A marketing director at a hospital, might want to determine what impact doubling the advertising budget for a women's mammography screening program will have on demand for appointments .

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3.Research Design

Those involved in the first two stages of the research are the people affected by the issue.

Implementation of the actual research process is usually done by marketing research staff or by outside organization skilled in the methodology of market research.

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Research Design

-After the research objectives have been specified, it is necessary to create the research design.

-This step is of critical importance.

-The research design is the plan for the entire study.

This plan will specify the data needed and the methods that will be used to collect them and to analyze and interpret the results.

The data collected can be :

- Primary data

- Secondary data.

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Primary Data

Primary data are information collected to address a specific research question.

There are many alternative methods that are used to acquire primary data.

These methods consist of qualitative and quantitative data gathering forms.

Qualitative information is information that is not quantified.

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Primary Data

Advantages

-The major advantage of primary data is that the information is collected for the particular problem or issue under investigation, which usually means that the data are current.

-Another major advantage is that primary data collection allows the organization to maintain confidentiality about the problem and the resulting information collected.

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Primary Data

Disadvantages

-Significant cost

-Extended period of time

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Secondary Data

Secondary data are data that were collected previously for another purpose.

These data could be collected either within the organization or by outside agencies.

Example :

A hospital might collect patient information for admissions and then use this information to help develop a profile of who is using the facility.

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Secondary Data

Syndicated marketing research is commercial secondary data that regularly provides information on a particular question or problem area.

The major limitation to syndicated information is that these same data can be purchased by competitors in the identical market.

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Secondary Data

Advantages :

-inexpensive

-timely manner.

-more objective, because they are typically collected by a third party

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Secondary Data

Disadvantage:

Secondary data, particularly data obtained from online sources, must be evaluated against four criteria:

Relevant→ Do the secondary data **fit** the project needs or question being considered.

Accurate→ Are the secondary data **reliably (source)** collected and reported?

Current → Is the information **up to date** enough for the decision being made?

Impartial → Are the data **objectively** collected and reported.

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4.Data Collection

A variety of research methods can be employed to collect **primary data**. These many methods can be classified into:

(1) **Observational,**

(2) **Experimental,**

(3) **Survey research**.

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Data Collection

Observational Research

With observational research, consumers are either observed by :

1- Another individual

2-A mechanical device

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Data Collection

Observational Research

1- Another individual

organizations will use trained individuals to observe patterns of behavior. (advantages?? & disadvantages??)

Example: a hospital might place a trained observer in its waiting area to observe the admissions process.

Observes might track individual patients from their initial encounter in admitting up to their examination in the emergency room.

Observational data are useful in observing what people do, however, they cannot address why people behave in certain ways.

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2-A mechanical device such as a **camera**.

(advantages?? & disadvantages??)

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Data Collection
Experimental Research

- Marketing test e.g. new service / product

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Data Collection

Survey Research

Survey research can be conducted in **four ways**:

(1) Telephone interviews,

(2) Personal interviews,

(3) Focus groups,

(4) Mail surveys.

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Data Collection

1.Telephone interviews

-Telephone interviews are a quick way to acquire information.

-Using telephone interviews , data can be acquired within a short time frame

-Trained interviews can usually be successful in obtaining a high completion rate from respondent and develop some rapport

-Using qualifying questions, a telephone interviewer can target the profile of respondent desired.

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Data Collection

2.Personal interviewers

Personal interviews can take **two forms:**

1- **one to one** interviewing between interviewer and respondent.

2- **group method** referred to as (focus groups).

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Data Collection

Personal interviewers

Personal interviews have some limitations, with cost being a major factor.

Personal interviewers require trained interviewers, and the costs of such training can add up.

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Data Collection

3.Focus groups

-Another method of conducting survey research is the focus group, a version of the personal interview conducted with a group of consumers simultaneously.

-Focus groups are interviewers typically conducted with 8 to 10 people and a trained moderator following an interview guide.

-They have been particularly useful in examining a wide range of sensitive health care issues.

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Data Collection

4.Mail surveys

Mail surveys have the advantage of being a relatively inexpensive way to collect data.

Typically, costs involve the reproduction of the survey and postage to send and return it.

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Data Collection

Mail surveys

Mail is an inexpensive, efficient way to contact individuals who are dispersed over a large geographical area void of interviewer bias.

In health care, mail surveys have often been used to collect patient satisfaction data.

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Mail Surveys

Disadvantages

The major limitation of mail surveys pertains to the response rate answer and who returns the form.

Another concern is that the people who complied and returned the surveys may differ from those who did not respond.

Although mail surveys provide the advantage of eliminating interviewer bias, they do not allow for any probing of respondents.

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Internet Based Surveys

Marketers are increasingly using the internet to conduct surveys.

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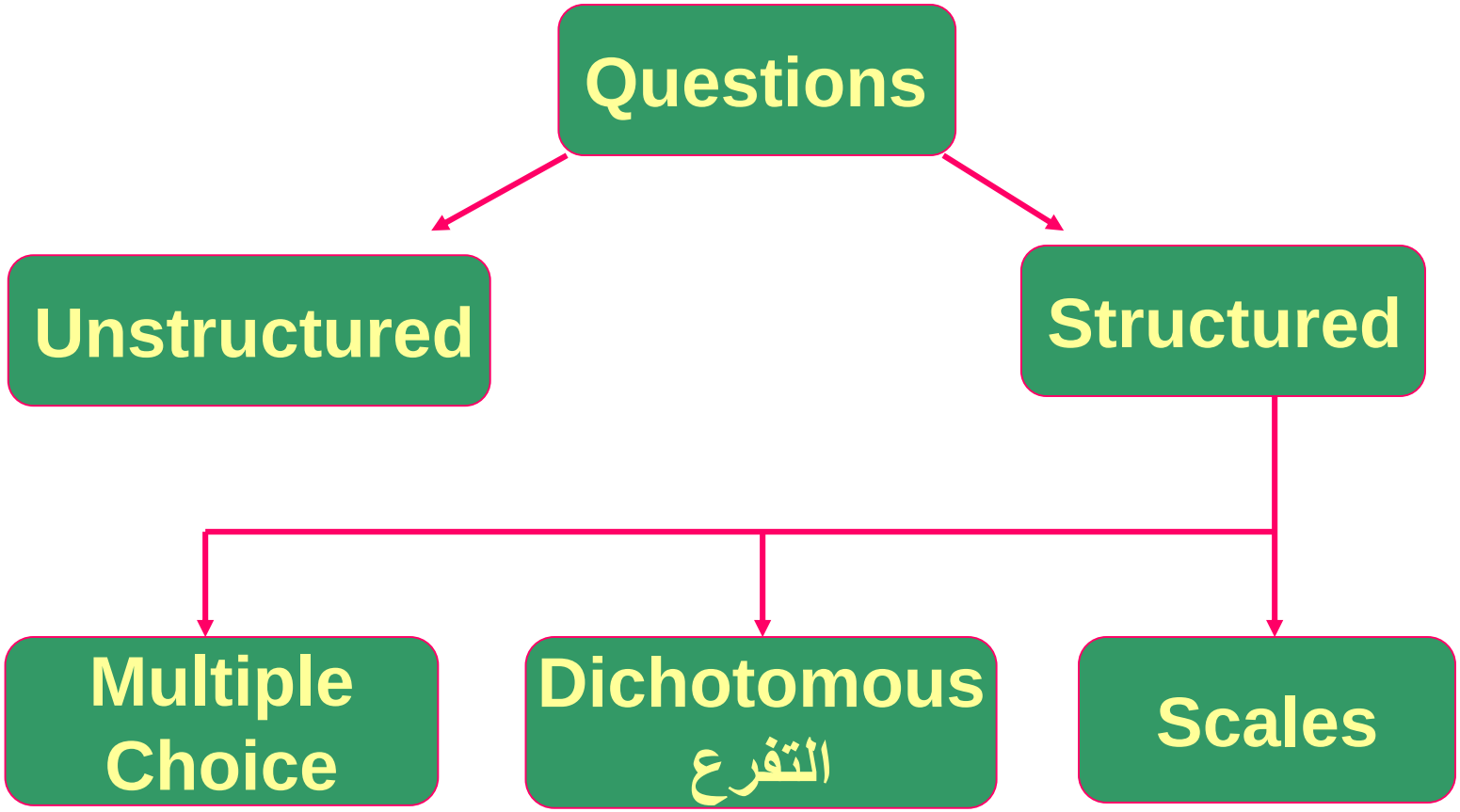
Questionnaire



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Questionnaire Design

Questions should be written as simply as possible.

They should use terms and language with which the audience is familiar.

Abbreviations should be avoided.

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Question Formats

A variety of question formats can be used in a survey instrument:

Open ended questions ask individuals to respond based on their own words.

e.g. What is your opinion of appointment hours?

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Question Formats

Closed end questions are questions , which can only be answered by yes or no.

e.g. Did The doctor spend enough time with you?

Yes

No

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5. Analysis and Evaluation of Research

The last stage of the market research process involves the analysis and evaluation of the research results.

Even the most sophisticated analysis, however, is useless if the people within the organization cannot understand the results or translate them into managerial actions.

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Analysis and Evaluation of Research

Finally, it is essential for health care organizations to recognize that the market place is dynamic.

Competitors are always changing their strategies, customer attitudes might shift as a function of new health care alternatives being offered to them, and physician loyalties might change because of new alliances formed between providers.

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Analysis and Evaluation of Research

-The dynamic nature of the market necessitates a continual monitoring of the market place with ongoing market research.

- Organizations must also manage and coordinate the flow of this information to the decision makers within the company in an organized fashion.

-The recognition of this requirement has led to the creation of Marketing Information System.

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Marketing Information System

A marketing information system (MIS) is a structured, interacting complex of persons, machines, and procedures designed to generate an orderly flow of pertinent information collected from intra- and extra firm sources, for use as the bases for decision making in specific responsibility areas of marketing management.

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Marketing Information System

- The biggest need for an effective **MIS** is because of the growth in **database marketing.**

- **Database marketing** may be defined as:

An automated system to identify people both customers and prospects by name, and to use quantifiable information touch these people to define the best possible purchasers and prospects for a given offer at a given point in time.

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Marketing Information System

The objective of database marketing is to target particular customers more effectively.

In that way, every patient who used the hospitals services can be identified by a database code and targeted mailings could be directed to specific people through these pre assigned codes.

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Marketing Information System

Example: a Cardiology department might decide in conjunction with nutrition and rehabilitative medicine to offer a health education program called (Healthy heart) .

Rather than just advertising broadly in the media, the hospital might access those individuals who have utilized related services within the past 2 years or whose demographic profile might be relevant for this program.

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